

THOMPSON COBURN

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August 13, 1999

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VIA FACSIMILE & REGULAR MAIL

Mr. Michael McAteer
U.S. EPA – Region 5
77 West Jackson Blvd. (SR-6J)
Chicago, IL 60604-3590

**Re: Sauget Sites Area I – January 21, 1999 Administrative Order by Consent
August 15, 1999 Update re Access Agreements**

Dear Mike:

Solutia Inc. (“Solutia”) has made significant progress in its efforts to obtain access to the properties that will be involved in the EE/CA and RI/FS. Solutia has now obtained access from twenty-three landowners (*See Attachment A*). Since the submission of our August 1, 1999 interim update, Solutia has received signed agreements from Ruan Transport Corp. and from Metro East Sanitary District (for two additional properties – CSF29 and CSF30). Although Solutia has not yet received signed agreements from the Village of Cahokia or Rogers Cartage, Solutia still plans to pursue agreements with these entities. Mike Light continues to communicate with the Village in an effort to obtain a signed agreement for EPA Reference Numbers CSF1-7. In addition, Solutia just recently forwarded a revised access agreement to James Latta, attorney for Rogers Cartage, for his review (*See Attachment B*). Solutia is hopeful that these efforts will result in signed agreements from these two property owners.

Due to Solutia’s good faith efforts to obtain access agreements, Solutia will be on schedule to begin the required testing once U.S. EPA issues its final approval of the Sampling Plan. Unfortunately, however, four property owners have been unwilling to negotiate and/or agree to an access agreement with Solutia. A summary of the status of negotiations with these property owners is included in Attachment C. Because Solutia appears to have reached an impasse with respect to negotiations with these property owners, Solutia is turning to EPA for its assistance and/or suggestions on how to proceed.

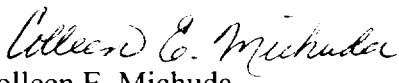
Mr. Michael McAteer
August 13, 1999
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In order to complete negotiations with the Village of Cahokia and Rogers Cartage, Solutia requests that EPA grant it another extension on the "Obtain Access Agreements" schedule to September 17, 1999. This extension would also permit Solutia to follow-up on any suggestions EPA may have on how to proceed with respect to the four property owners listed in Attachment C.

As always, if you would like to see additional supporting documentation, we would be happy to meet with you upon request. We look forward to hearing from you soon.

Very truly yours,

Thompson Coburn LLP

By 
Colleen E. Michuda

CEM/gao

Enclosures

cc: Thomas J. Martin, Esq. (w/enclosures)
Mr. D. Michael Light (w/enclosures)
Joseph G. Nassif, Esq. (w/enclosures)

Attachment A

Properties for which Solutia has obtained signed agreements

- James Hankins, G4
- Emily Hankins, G5
- Richard Stillman, CSB5
- Doris Tolbird, H1
- Thomas Owen, M1, M2, M3, M4, M5, M8, M9, M10, M11, M14
- Virgil Hallberg, CSE2
- Amrut & Sita Patel, CSC7
- Moto, Inc., G6, CSB1, CSB2
- Sterling Steel Foundry, Inc. (Industrial Gas Products – lessee), Site J
- Metro Construction Equipment, Inc. (Tony Lechner), L1
- Union Electric Co., CSF11, CSF14, CSF20, CSF21
- L. Keeley Paving & Construction Co., L5, L2
- Lawrence Keeley, L3
- Harold Wiese, G2, G3
- Anheuser-Busch, Inc. CSF12, CSF15-19, CSF23-25
- Albert Lauman, CSB6
- Metro East Sanitary District, CSF8, CSF26-30, CSF31-35, CSF41
- Parks College (St. Louis University), CSE20, CSE38, CSE39
- Cerro Copper, CSA1, I1, I2, G1
- Paul Sauget, CSF36
- Pitzman School (Cahokia Unit School District), CSC21
- St. Clair County, CSF22
- Ruan Transport Corp., L4, L6

Attachment B

THOMPSON COBURN

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August 6, 1999

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VIA FACSIMILE & REGULAR MAIL

James R. Latta, Esq.
140 S. Dearborn Street
Suite 1610
Chicago, IL 60603-5202

Re: Rogers Cartage/ Solutia Access Agreement

Dear Mr. Latta:

Enclosed please find a revised version of the Access Agreement between Solutia Inc. and Rogers Cartage Company that you forwarded to me on July 22, 1999. Although Solutia is willing to incorporate most of your suggested revisions into the agreement, Solutia cannot incorporate them all.

Although most of the changes are minor, there are a few substantive revisions. First, this revised agreement expands the scope of the sampling work just slightly in order to avoid the need for an additional agreement if Ecology & Environment Well 4 does not exist, or if EPA requires additional sampling. Second, because Solutia is not agreeable to broadening the scope of the indemnity found in paragraph 10, this agreement contains the indemnity provision found in the original agreement.

Please feel free to call me with questions or comments. Otherwise, if this agreement is acceptable to you, please contact me, and I can forward two originals to you for Rogers Cartage's signature.

Very truly yours,

Thompson Coburn LLP

By 
Colleen E. Michuda

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James R. Latta, Esq.
August 6, 1999
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CEM/gao

Enclosure

ACCESS AGREEMENT

This Agreement is made as of the _____ day of _____, 1999 between Rogers Cartage Company ("Rogers Cartage"), a land owner in St. Clair County, Illinois, and Solutia Inc. ("Solutia"), whose principal offices are located at 10300 Olive Boulevard, St. Louis, Missouri 63166.

WHEREAS, Solutia has been requested by the United States Environmental Protection Agency to reexamine a sampling well, identified as Ecology & Environment Well 4 (EE-04) previously installed on property owned by Rogers Cartage located at 2900 Falling Springs Road, Sauget, Illinois; and Solutia has requested permission from Rogers Cartage to enter upon a portion of the property at 2900 Falling Springs Road, Sauget, Illinois for the purpose of taking samples from Ecology & Environment Well 4, and for the purpose of collecting groundwater and soil samples at this location; and

WHEREAS, Rogers Cartage is willing to grant Solutia a limited and revocable license for the purpose aforesaid as further set forth hereinbelow.

NOW, THEREFORE, in consideration of and conditioned upon the mutual covenants, promises and agreements stated herein, the parties agree as follows:

1. Rogers Cartage hereby grants to Solutia a revocable license to enter upon real property owned by Rogers Cartage located at Falling Springs Road and Nickell Street in Sauget, Illinois, parcel number 409-001, for the purpose of sampling groundwater from Ecology & Environment Well 4, if such well exists. If such well does not exist, Solutia shall be permitted to collect groundwater samples at this location. Solutia shall also be permitted to collect soil samples at this location. This sampling shall be referred to herein as the "Work." This Agreement shall not be deemed to create an easement over or in, or a lease in or over, nor an interest in Rogers Cartage's property other than a terminable license for the purposes set forth in this Agreement.

2. The Work shall be performed in accordance with a sampling plan prepared by Solutia, a copy of which, as it relates to the property will be provided to Rogers Cartage, at Rogers Cartage's expense, at least ten (10) days prior to the commencement of the Work. The Work shall be performed in accordance with all applicable federal, Illinois, and local laws and regulations in effect at the time the Work is performed, and Solutia and/or its contractors shall be responsible for obtaining all necessary permits, licenses or approvals in connection with the Work. Performance of the Work shall be at Solutia's sole cost and expense, with no costs or expenses for the Work to accrue to Rogers Cartage.

3. Said access for sampling shall be limited to those officers, employees and environmental consultants of Solutia ("Solutia Personnel") as designated by Solutia whose presence is necessary to further the purposes of this Agreement. Such access shall also be granted to U.S. EPA employees, contractors, agents, consultants, designees, representatives, and

State of Illinois representatives ("Government Personnel") for the purpose of monitoring the work being performed by Solutia Personnel.

4. Solutia agrees that upon completion of the Work, all material and equipment shall be removed from the property, and said property will be restored as nearly as possible to its original state and condition. Solutia will use all reasonable efforts to provide that the activities set forth herein are performed in a manner consistent with prevailing professional standards for all areas of activities undertaken by Solutia Personnel. The Work to be conducted under this Agreement shall be coordinated by professionals with experience relative to the particular activity being conducted at the site each day.

5. Solutia shall provide Rogers Cartage with actual written notice, which may be by facsimile, at least three (3) business days prior to Solutia's first entry onto Rogers Cartage property to commence the Work. In its sole discretion, Rogers Cartage personnel shall have the right to be present during the sampling, and may request and obtain split samples from Solutia.

6. Rogers Cartage shall advise Solutia of any utility lines or other hazardous or potentially hazardous conditions of which Rogers Cartage has actual knowledge that might reasonably be expected to be damaged by the Work to be performed hereunder or that might significantly interfere with the performance of the Work provided herein. Rogers Cartage will cooperate and provide any available site information, but doing so shall not alter Solutia's responsibility for assuring safe and appropriate performance of the Work. In addition, Solutia shall independently contact such local utilities as are appropriate to verify the location of any utility lines or other hazards on or near the property.

7. Solutia shall provide Rogers Cartage with a copy of the final test results and analytical data with respect to Work performed on Rogers Cartage's property, as incorporated into the Final Reports approved by U.S. EPA. All copies shall be made at Rogers Cartage's expense.

8. Solutia and/or its employees, agents, contractors and subcontractors shall be responsible for the disposal of any soil cuttings, waste, water, and any other materials generated during the Work.

9. Solutia and its employees, agents, contractors and subcontractors shall conduct all Work on the property in a safe and workmanlike manner and shall exercise reasonable care to avoid injury to persons or damage to property. Solutia shall immediately notify Rogers Cartage of any injury or damage to person or property which Solutia knows to have occurred in connection with the performance of the Work on the property.

10. As to the Work to be done, or services to be performed by Solutia or its consultants, Solutia assumes responsibility for any liability for losses, expenses, damages, demands and claims in connection with or arising out of any injury or damage to property, sustained in connection with or to have arisen out of the actual performance of the Work hereunder. Solutia shall indemnify, defend and save harmless the land owner of the above-

described property from and against any and all claims, demands, actions, causes of action, suits, damages, expenses (including attorneys' fees and experts' fees) directly resulting from any liability described in the preceding sentence. This indemnity does not cover any preexisting conditions on the property, except to the extent that such condition is altered through the negligent conduct or action of Solutia and/or its contractor while working on the above-described property and thereby results in damage to the property that would not have otherwise occurred. The obligations of Solutia under this paragraph shall survive termination of this Agreement.

11. Notices, letters, and other written correspondence relating to this Agreement shall be directed to the respective party as set forth below, or as modified by that Party, by written notice:

FOR SOLUTIA INC.:

Joseph G. Nassif
Thompson Coburn LLP
One Mercantile Center
St. Louis, Missouri 63101-1693

FOR ROGERS CARTAGE COMPANY:

James R. Latta, Attorney at Law
140 South Dearborn Street
Suite 1610
Chicago, Illinois 60603
Phone: (312) 443.1626

12. The access to and right to enter the property granted to Solutia under this Agreement shall terminate upon completion of the Work, unless extended in writing. Upon prior notice to Rogers Cartage, Solutia shall be granted access and shall have the right to enter the property after completion of the Work for the purpose of conducting follow-up sampling. Upon request of Rogers Cartage, and with the concurrence of the U.S. EPA, Solutia shall remove or permanently close any monitoring wells in accordance with accepted engineering standards once they are no longer required as part of the sampling.

13. By entering into this Agreement, no party waives any rights, claims or defenses it may have against the other under the law, nor makes any admission of liability or responsibility.

14. This writing constitutes the full and entire agreement of the parties regarding the subject matter hereof. If any paragraph, part, term or provision of this Agreement is construed or held to be void, invalid or enforceable by order, decree or judgment of a court of competent jurisdiction, the remaining paragraphs, parts, terms or provisions shall not be affected and shall remain in full force and effect.

15. This Agreement shall be governed by the laws of the State of Illinois, without regard to conflicts of laws rules.

16. This Agreement may be assigned by either party upon prior written notice to the other party.

17. Each party and signatory to this Agreement represents and warrants to the other party that it has full power, authority and legal rights, and has completed all proceedings and obtained all approvals necessary, to execute, deliver and perform this Agreement.

18. This Agreement may be executed in counterparts, each of which shall be deemed an original, but such counterparts together constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representative as follows:

ROGERS CARTAGE COMPANY

SOLUTIA INC.

By: _____

By: _____

Title: _____

Title: _____

Attachment C

Alton & Southern Railroad, CSA2, I3

Solutia and/or Thompson Coburn communicated extensively with Alton & Southern from April through May, 1999. In May, Alton & Southern stated that it could not agree to an access agreement unless extensive negotiations and meetings were conducted to assess the logistics of testing on Alton & Southern's main rail line. According to the railroad, high rail cars would be needed in order to even access the property. Due to the logistical problems related to the testing of this property, Solutia, with EPA's approval, would like to avoid testing in this area altogether.

Mobil Oil Corp., N2

Mobil's property is at the southern border of Site N, and may be tested in conjunction with the Soil Gas Survey required by the Sampling Plan. Although Solutia has communicated with Mobil's outside counsel, Craig Zimmerman, Mr. Zimmerman has still not responded to Solutia's June 28, 1999 letter, forwarding additional information regarding the Soil Gas Survey. If EPA is amenable to modifying the Statement of Work, it is technically possible to avoid this area entirely.

Berry Black & David Thomas, N1

In March, 1999, both Berry Black and David Thomas agreed to sign Solutia's access agreement. Despite these agreements, neither property owner has forwarded a signed agreement to Solutia. After forwarding new agreements for execution in April, 1999 to both Berry Black and David Thomas, Berry Black contacted Thompson Coburn requesting additional information. Since this information was forwarded, Solutia has not received a response from Mr. Black, despite follow-up letters and telephone messages (the most recent being August 10, 1999). David Thomas has not responded at all since March.